Attachment 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF ADMINISTRATION

INVESTMENT COMMITTEE

August 15, 2011

Chief Investment Officer's

Consolidated Investment Activity Report

(May 2011 Reporting Period)

CalPERS Asset Allocation – May 31, 2011

General Market Commentary

The month of May saw a continued stream of strong corporate earnings announcements and a hot IPO market, particularly for companies tied to the internet (LinkedIn +109% on first day of trading). However, the financial woes for average Americans continues to persist. In contrast to the 241,000 jobs added to the economy during April, the month of May saw employment grow by only 54,000; the unemployment rate reversed a downward trend since November and crept up slightly from 9.1% to 9.2%. Add to this the fragile home market and depressed state of home prices (down 33% from highs in 2006), and its no wonder the Consumer Confidence Index fell to its lowest reading (60.8) in six months during May. The sluggish readings on the broader economy seemed to outweigh the strength of corporate balance sheets and pushed the one-month return on equities into negative territory for the first time since September 2010. Some Investors sought respite from the sluggish economy at home and the troubled markets abroad by flocking to long-term treasury debt (pushing yields down this month) and precious metals, chief among them - gold.

Domestic and International Equities

The S&P 500 index return was down -1.1% for the month. Small-cap stocks, as measured by the Wilshire U.S. Small Cap Index, were down -1.7% for the month. Large-cap stocks were also negative, however growth performed worse than value during May, with returns of -1.5% for growth and -0.6% for value (as measured by the Wilshire U.S. Large Growth and Value indexes). International equities saw even greater declines, as the MSCI EAFE Index fell -2.3% in dollar terms (and -1.5% in local currency). Emerging markets were down at -2.6% in dollar terms (as measured by the MSCI EM Index) during the month.

Domestic and International Fixed Income

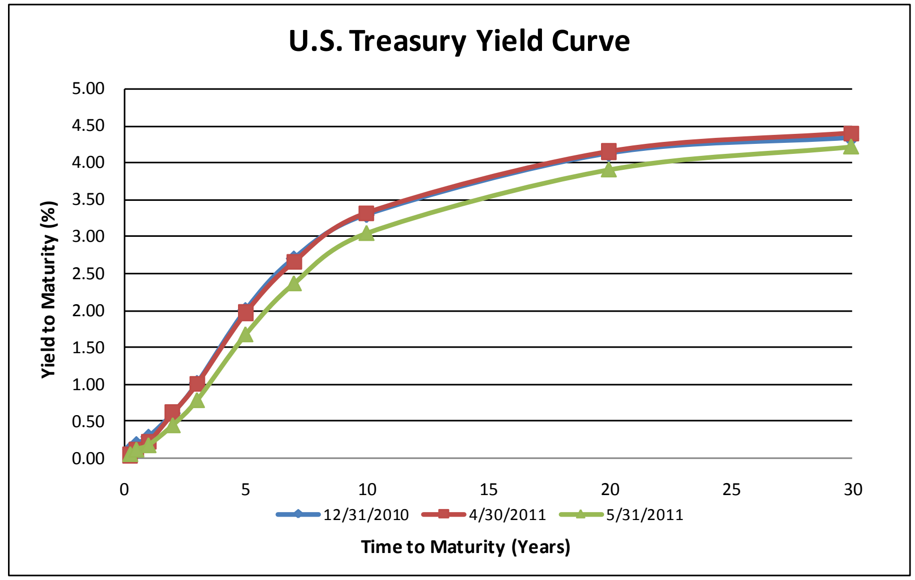
The Barclays Capital U.S. Aggregate Bond Index returned 1.3% for May, falling closely in line with the US Treasury return of 1.3% (as measured by BC Intermediate Treasury Index). The BC Long Term Treasury Index returned 3.5% while yields on 30-year Treasury bonds fell to 4.2% from 4.4% at the end April. U.S. TIPS returned 0.3% (BC U.S. TIPS Index) during May. The high yield bond market returned 0.5% during the month, as measured by the Merrill Lynch High Yield Master II Index. International fixed income markets fell -0.7% (as measured by the Citigroup World Government Bond Index ex-U.S.) while the dollar was up against the euro, the yen, and the pound.

Real Estate

Public real estate (as measured by the Wilshire US RESI Index) was positive with a return of 1.5% in May. The NCREIF Index of Real Estate Properties returned 3.4% for the quarter ended March 2011.

Absolute Return Strategies

Absolute Return Strategies (HFRI Fund of Funds Index) was down -1.2% in May, but returned 6.9% for the 12 months ended May 2011.



MARKET INDICATORS	12/31/2010	Direction	4/30/2011	Direction	5/31/2011
1Month LIBOR (fixed in $)	0.26%	↓	0.19%	-	0.19%
Federal Funds	0.00% -0.25%	-	0.00% -0.25%	-	0.00% -0.25%
10Y Treasury Note Yield	3.30%	↑	3.32%	↓	3.05%
30Y Treasury Bond Yield	4.34%	↑	4.40%	↓	4.22%
Wilshire 5000 Comp	13,360.12	↑	14,495.44	↓	14,287.48
S&P 500	1,257.64	↑	1,363.61	↓	1,345.20
NASDAQ Composite	2,652.87	↑	2,873.54	↓	2,835.30
FTSE 100 Index	5,899.90	↑	6,069.90	↓	5,990.00
Nikkei 225 Index	10,228.92	↓	9,849.74	↓	9,693.73
Yen/$ (Dollar Strength)	81.110	↑	81.140	↑	81.240
Euro/$ (Dollar Strength)	0.745	↓	0.674	↑	0.696
GBP/$ (Dollar Strength)	0.639	↓	0.600	↑	0.608
Crude Oil per Barrel	$89.84	↑	$113.93	↓	$102.70
Gold ($/oz Daily Spot)	$1,405.50	↑	$1,535.50	↑	$1,536.50
GS Commodities TR Index	4,943.41	↑	5,758.37	↓	5,361.71

CalPERS Asset Allocation – May 31, 2011

Summary

- Total Fund Market Value was $238.8 Billion
- Total Fund Book Value was $199.6 Billion
- As of May 31, 2011, all asset classes were within their Strategic Target Policy Ranges.

Book to Market Value Comparison

	Book Value [2] ($ Billion)	Market Value [3] ($ Billion)	Difference (Market – Book) ($ Billion)
Domestic Equity[1]	$39.6	$58.6	$19.0
International Equity	$57.6	$66.6	$9.0
Global Equity	**$97.1**	**$125.1**	**$28.1**
Domestic Fixed Income	$33.7	$46.0	$12.3
International Fixed Income	$3.3	$3.5	$0.3
Global Fixed Income	**$37.1**	**$49.6**	**$12.5**
AIM	**$32.3**	**$33.8**	**$1.5**
Real Estate	**$21.3**	**$17.8**	**$-3.5**
Inflation Linked	**$7.3**	**$8.0**	**$0.8**
Cash Equivalents	**$4.5**	**$4.4**	**$-0.1**
Total Fund	**$199.6**	**$238.8**	**$39.2**

[1] Included is MDP Investment - LM Capital Investment: Total Book Value**=$3.2 million,** Total Market Value**=$3.2 million**.
[2] Total value of assets at cost minus liabilities.
[3] Total value of assets at market.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values. When summing net amounts on this report, there may be breakage.

Top Company Exposures

- As a very significant institutional investor, CalPERS has large exposures to the securities of many corporations either through internal or externally managed portfolios. Consistent with board requested information and in support of the Board of Administration's oversight role, a schedule of the top 20 company exposures is prepared for informational purposes and can be found on Page 4.

CalPERS Top 20 Company Holdings

Global Equity & Global Fixed Income [2]

Market Values as of 5/31/2011 [1]

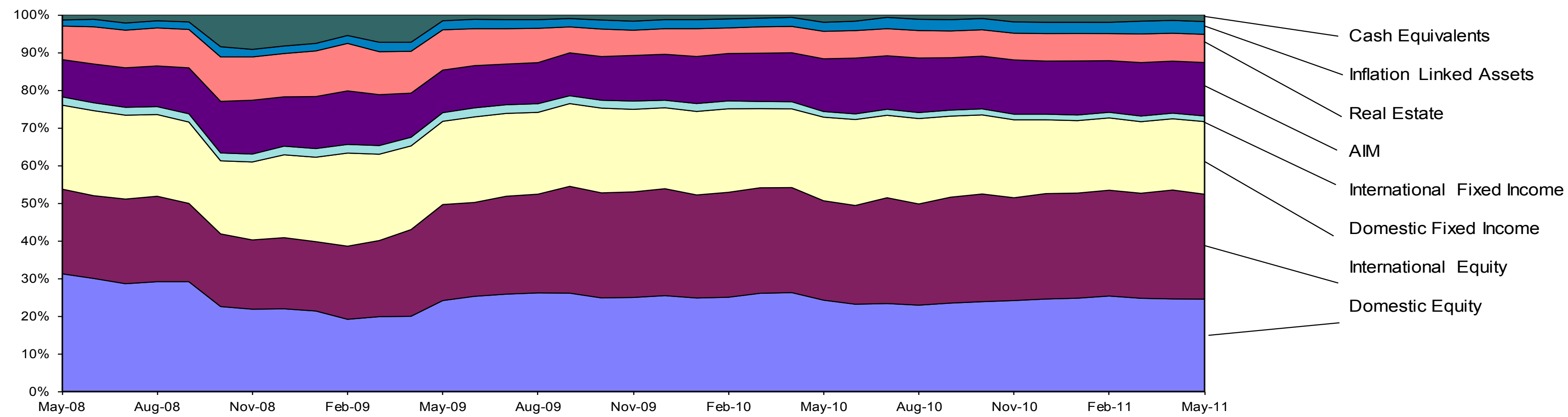
		Global Equity [3]			Global Fixed Income [4]	Total	
	Company Name	Internally Managed	Externally Managed	Total Equity	Total Fixed Income	Market Value	% of Total Fund
1	EXXON MOBIL CORP	$1087.9	$129.8	$1217.7	$0.0	$1217.7	0.51%
2	APPLE INC	$748.9	$131.9	$880.8	$0.0	$880.8	0.37%
3	GENERAL ELECTRIC CO	$530.7	$71.6	$602.2	$274.4	$876.7	0.37%
4	AT&T INC	$506.8	$46.4	$553.2	$186.9	$740.1	0.31%
5	JPMORGAN CHASE & CO	$433.1	$71.8	$504.9	$201.1	$706.0	0.30%
6	NESTLE SA REG	$606.1	$57.1	$663.1	$0.0	$663.1	0.28%
7	HSBC HOLDINGS PLC	$491.8	$26.2	$518.0	$145.1	$663.1	0.28%
8	MICROSOFT CORP	$525.4	$84.5	$609.9	$0.0	$609.9	0.26%
9	CHEVRON CORP	$543.2	$56.5	$599.8	$0.0	$599.8	0.25%
10	WELLS FARGO & CO	$375.6	$52.0	$427.6	$153.9	$581.5	0.24%
11	INTL BUSINESS MACHINES CORP	$525.7	$43.1	$568.8	$0.0	$568.8	0.24%
12	BANK OF AMERICA CORP	$312.8	$51.1	$363.9	$189.7	$553.7	0.23%
13	PFIZER INC	$419.7	$52.9	$472.6	$64.7	$537.3	0.23%
14	JOHNSON & JOHNSON	$471.2	$56.4	$527.6	$0.0	$527.6	0.22%
15	CITIGROUP INC	$309.9	$39.3	$349.2	$175.7	$524.9	0.22%
16	VODAFONE GROUP PLC	$391.4	$49.3	$440.6	$56.7	$497.3	0.21%
17	PROCTER & GAMBLE CO	$469.2	$46.0	$515.2	$0.0	$515.2	0.22%
18	WAL MART STORES INC	$382.5	$12.3	$394.7	$97.3	$492.0	0.21%
19	BP PLC	$432.2	$20.0	$452.2	$0.0	$452.2	0.19%
20	BHP BILLITON LTD	$427.1	$18.4	$445.6	$0.0	$445.6	0.19%

1 In millions
2 Only includes Global Equity & Fixed Income assets custodied with master custodian
3 Source for Global Equity values: State Street Bank
4 Source for Global Fixed Income values: Blackrock Solutions

CalPERS

Asset Allocation as of May 31, 2011

Total Fund Market Value: **$238,779,954,910**



	Global Equity [2]	Domestic Equity [2]	International Equity [2]	Global Fixed	Domestic Fixed	International Fixed	AIM	Real Estate	Inflation Linked	Cash Equivalents [2]	Total Fund
Strategic Target Range %	**44-54%**			**15-25%**			**9-19%**	**5-15%**	**2-5%**	**0-5%**	
Strategic Target %	49.0%	24.5%	24.5%	20.0%	18.0%	2.0%	14.0%	10.0%	5.0%	2.0%	N/A
Actual Investment %	52.4%	24.5%	27.9%	20.8%	19.3%	1.5%	14.2%	7.5%	3.4%	1.8%	N/A
Variance % (Strategic vs. Actual)	**3.4%**	**0.0%**	**3.4%**	**0.8%**	**1.3%**	**(0.5%)**	**0.2%**	**(2.5%)**	**(1.6%)**	**(0.2%)**	N/A
Strategic Target $ [1]	$117.0	$58.5	$58.5	$47.8	$43.0	$4.8	$33.4	$23.9	$11.9	$4.8	$238.8
Actual Investment $ [1]	$125.1	$58.6	$66.6	$49.6	$46.0	$3.5	$33.8	$17.8	$8.0	$4.4	$238.8
Variance $(Strategic vs. Actual) [1]	**$8.1**	**$0.1**	**$8.1**	**$1.8**	**$3.1**	**($1.2)**	**$0.4**	**($6.1)**	**($3.9)**	**($0.4)**	N/A
% Passive	68.1%	67.8%	68.5%	0.0%	0.0%	0.0%	0.0%	7.5%	0.0%	0.0%	36.3%
% Active	31.9%	32.2%	31.5%	100.0%	100.0%	100.0%	100.0%	92.5%	100.0%	100.0%	63.7%
% Internal	77.5%	79.5%	75.7%	90.7%	97.7%	0.0%	0.0%	7.5%	65.7%	100.0%	64.1%
% External	22.5%	20.5%	24.3%	9.3%	2.3%	100.0%	100.0%	92.5%	34.3%	0.0%	35.9%

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
* When summing amounts on this report, there may be breakage.
* MDP Venture accounts included in MDP's primary asset class. MDP Fixed and CalPERS Hedge Fund roll to External Domestic Equity.

[1] ($ Billion)

[2] Equity overlay and lending income funds are included in International Equity, currency overlay funds are included in Cash and the Global Equity Cash Account is included in Domestic Equity and Domestic Fixed Income Transition Account is included in Domestic Fixed Income

Private Market Commitment as of May 31, 2011

AIM

Funded	$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	$33.80	14.16%	**9-19%**
Unfunded Commitment	$15.80	6.62%	
Fair Market Value plus Unfunded Commitment	**$49.60**	**20.77%**	

Real Estate

Funded	$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	$17.81	7.46%	**5-15%**
Unfunded Commitment (as of 4/30/2011)	$7.42	3.11%	
Fair Market Value plus Unfunded Commitment	**$25.23**	**10.57%**	

Infrastructure

Funded	$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	$.47	0.20%	**0-3%**
Unfunded Commitment (as of 4/30/2011)	$.37	0.15%	
Fair Market Value plus Unfunded Commitment	**$.84**	**0.35%**	

Forestland

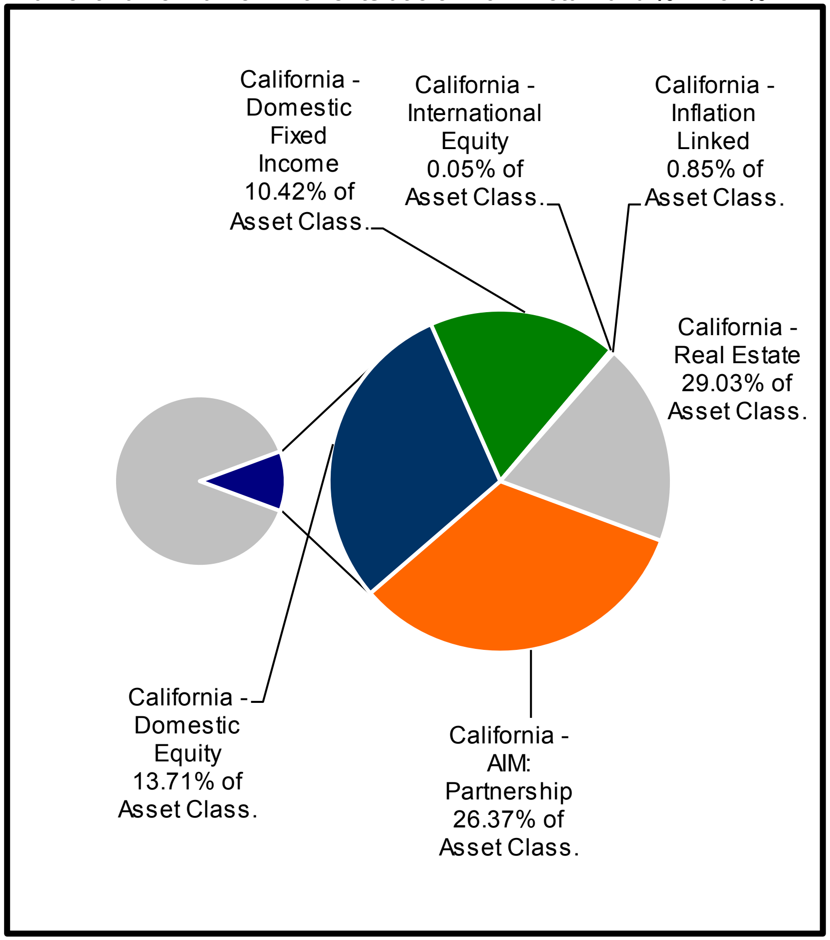
Funded	$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	$2.29	0.96%	**0-2%**
Unfunded Commitment (as of 4/30/2011)	$.01	0.00%	
Fair Market Value plus Unfunded Commitment	**$2.30**	**0.96%**	

CalPERS Investments in the State of California – May 31, 2011

The State of California offers CalPERS a number of attractive investment opportunities. The following charts summarize the investments by asset class as of the date of this report. A detailed report on California investments is available in the supplemental reporting document.

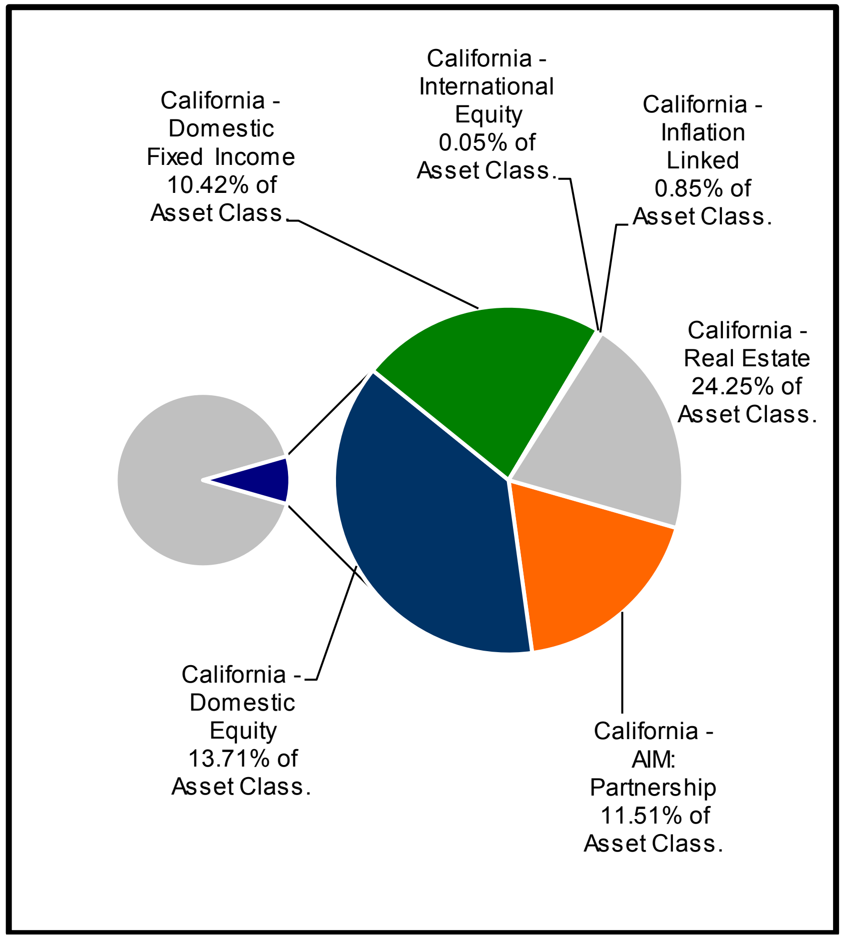
California Investments plus Additional Commitments

Current California Commitments at 5/31/2011 Total Fund %: 11.31%



California Investments

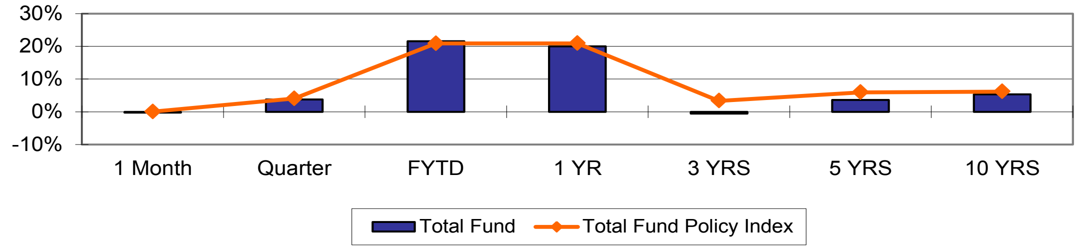
Current California Investments at 5/31/2011 Total Fund %: 8.85%



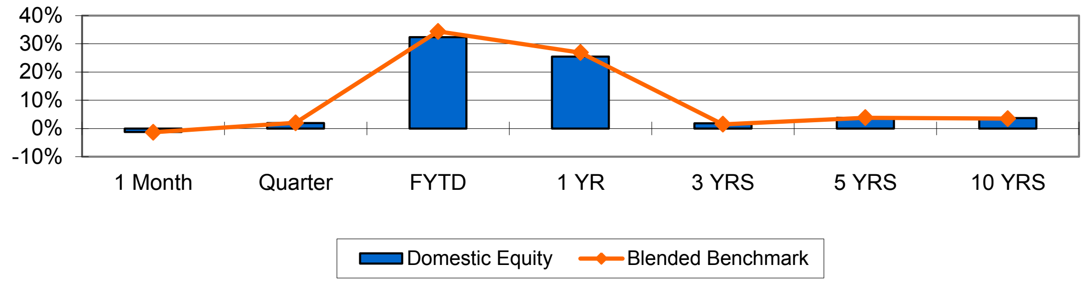
Note: International Equity includes Global Funds that may invest globally, which would include investments in the State of California.

Performance Summary – May 31, 2011

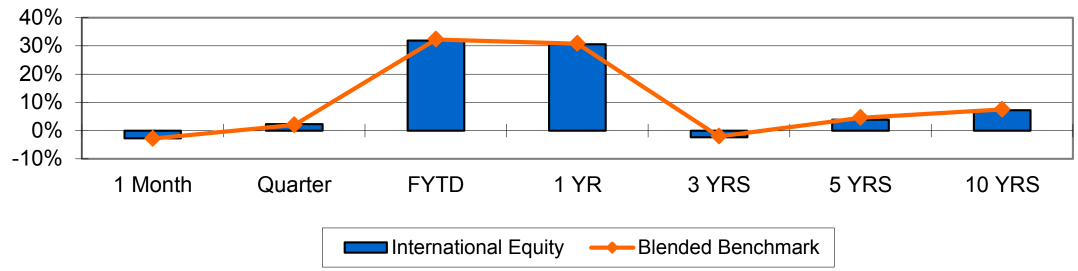
Total Plan:
Net Total Fund returns have underperformed the actual Weighted Total Fund Index in all time periods except the fiscal-year-to-date period. Ten-year net returns were 5.31% versus 6.16% for the Actual Weighted Index.



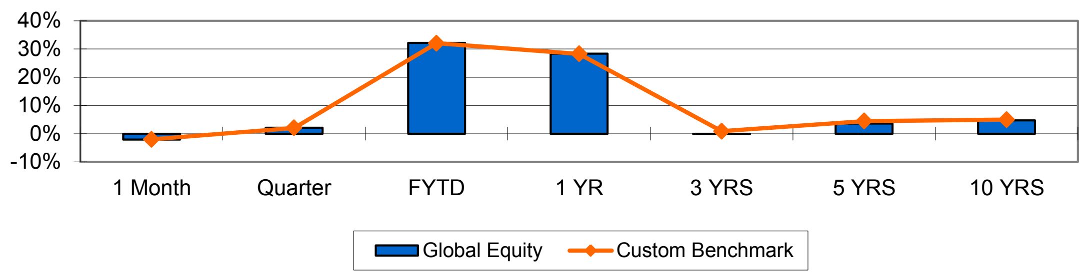
Domestic Equity:
Net Domestic Equity returns have outperformed the blended benchmark in all time periods except the quarter-to-date, fiscal-year-to-date, and one-year periods. Ten-year net returns were 3.63% versus 3.45% for the blended benchmark.



International Equity:
Net International Equity returns have underperformed the blended benchmark in all time periods except the one-month and quarter-to-date periods. Ten-year net returns were 7.21% versus 7.47% for the blended benchmark.

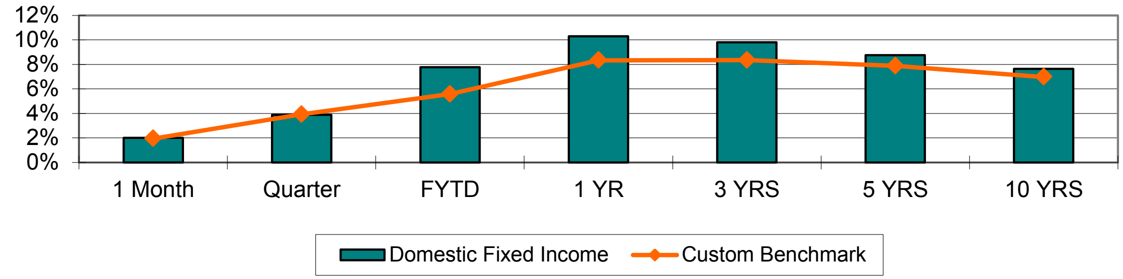


Global Equity:
Net Total Global Equity returns have outperformed the benchmark in all time periods except the one-month, three-year, five-year and ten-year periods. Ten-year net returns were 4.70% versus 4.97% for the blended benchmark.

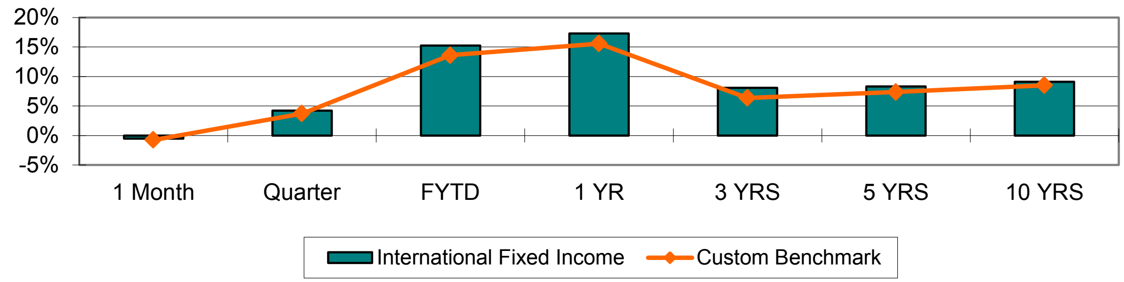


Performance Summary – May 31, 2011

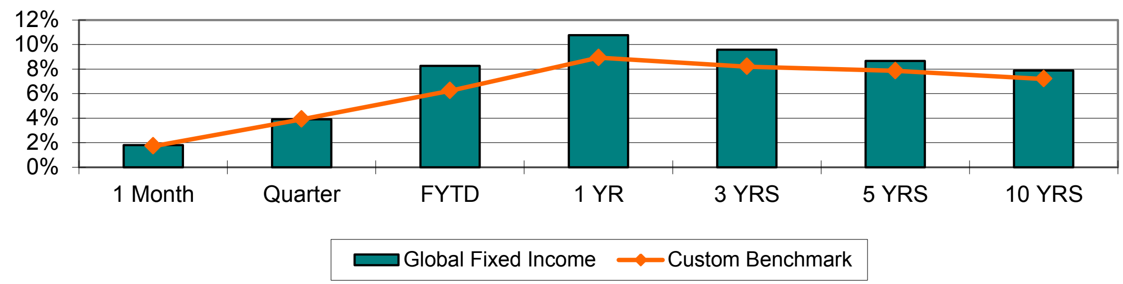
Domestic Fixed Income:
Net Domestic Fixed Income returns have outperformed the benchmark in all time periods except the quarter-to-date period. Ten-year net returns were 7.63% versus 6.97% for the benchmark.



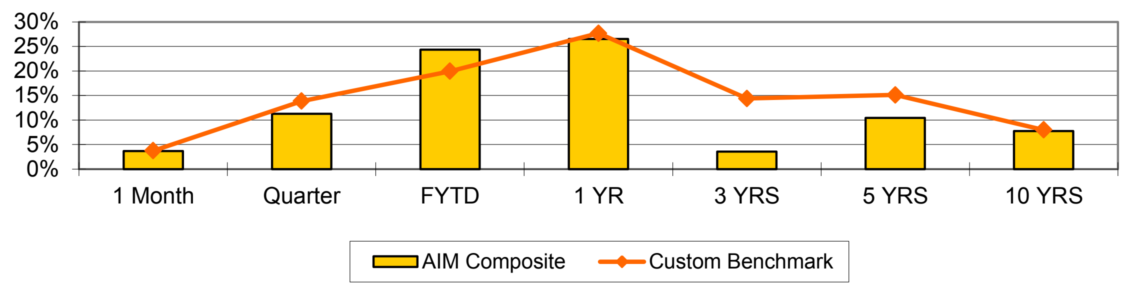
International Fixed Income:
Net International Fixed Income returns outperformed the benchmark in all time periods. Ten-year net returns were 9.11% versus 8.51% for the benchmark.



Global Fixed Income:
Net Global Fixed Income returns have outperformed the benchmark in all time periods. Ten-year net returns were 7.88% versus 7.19% for the benchmark.



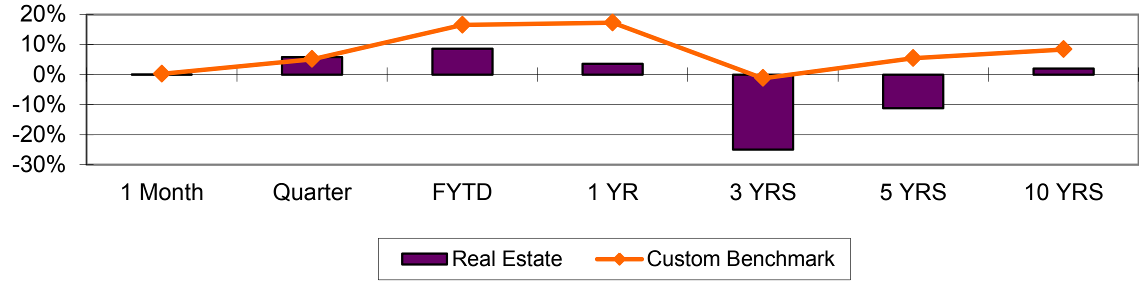
AIM Composite:
Net AIM Composite returns have underperformed the custom blended benchmark in all time periods except the fiscal-year-to-date period. Ten-year net returns were 7.76% versus 7.99% for the benchmark.



Performance Summary – May 31, 2011

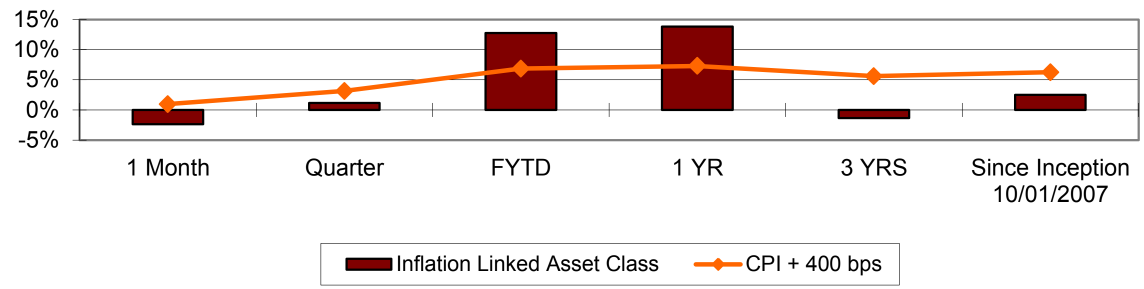
Real Estate:

Net Total Real Estate returns have underperformed the benchmark in all time periods except the quarter-to-date period. Ten-year net returns were 1.96% versus 8.37% for the benchmark.



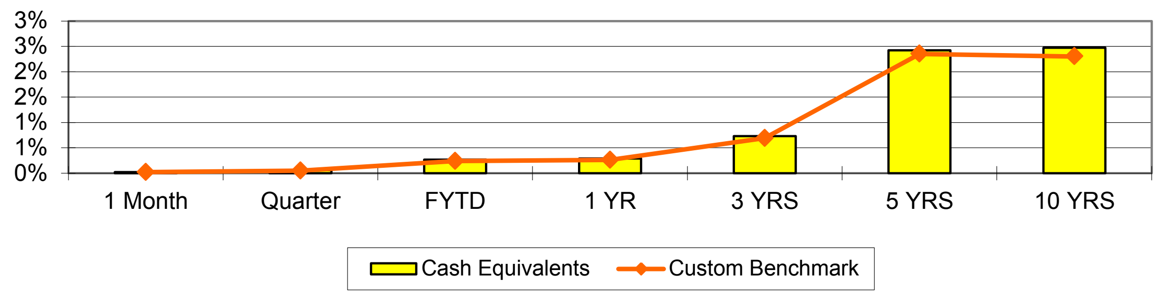
Inflation Linked Assets:

Net returns for the Inflation Linked Assets portfolio have underperformed the benchmark in all time periods except the fiscal-year-to-date and the one-year periods. Since inception net returns were 2.48% versus 6.25% for the benchmark.



Cash Equivalents:

Net returns for the Cash Equivalents portfolio have met or outperformed the benchmark in all time periods. Ten-year net returns were 2.47% versus 2.30% for the custom benchmark.



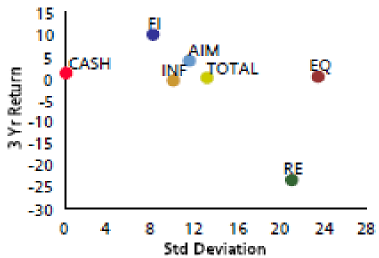
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Period Ending: May 31, 2011

Plan Performance Summary

Gross of Manager Fees

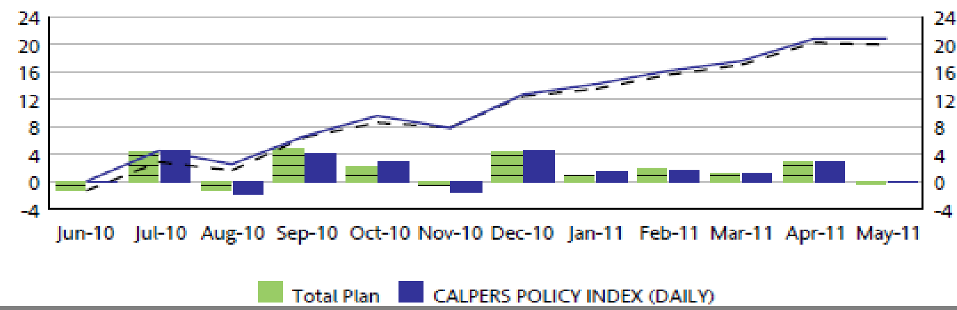
CalPERS

Risk Profile



	Information Ratio	Tracking Error
TOTAL FUND	-1.00	3.71
TOTAL GLOBAL EQUITY	-0.76	1.24
TOTAL INCOME	0.33	4.18
TOTAL AIM	-0.72	15.06
TOTAL REAL ESTATE	-1.31	17.27
TOTAL INFLATION LINKED	-0.66	10.00
TOTAL CASH EQUIVALENTS	2.81	0.01

Cumulative Performance vs Benchmark



Performance Summary

	% of Plan	MKT VAL $(000's)	1 Month	Quarterly	FYTD	1 Year	3 Year	5 Year	10 Year
TOTAL GLOBAL EQUITY	52.4%	125,134,788	-2.06	2.09	32.22	28.37	-0.10	3.64	4.75
TOTAL GLOBAL EQ EX AIM BENCHMARK (DAILY)			-2.02	2.02	32.04	28.27	0.84	4.42	4.97
TOTAL INCOME	17.4%	41,531,638	1.80	3.91	8.27	10.76	9.60	8.68	7.89
CalPERS Total GBL Fixed Income Policy (DAILY)			1.73	3.91	6.23	8.93	8.20	7.85	7.19
TOTAL AIM	14.2%	33,803,103	3.69	11.29	24.36	26.50	3.58	10.44	7.78
Wilshire 2500 + 300 bps. 1 qtr lag			3.75	13.86	19.93	27.68	14.38	15.11	7.99
TOTAL REAL ESTATE	7.5%	17,811,482	0.03	6.47	10.06	5.31	-23.83	-9.38	4.51
90% NPI+200 BPS / 10% FTSE EPRA NAREIT			0.20	5.08	16.48	17.22	-1.21	5.42	8.37
TOTAL INFLATION LINKED	3.4%	8,032,447	-2.37	1.47	13.25	14.46	-0.95		
CPI+400 BPS 1 MONTH LAGGED			0.97	3.13	6.85	7.28	5.60		
TOTAL CASH EQUIVALENTS	1.9%	4,529,456	0.02	0.06	0.27	0.29	0.73	2.42	2.47
PERS CUSTOM STIF NET OF FEES (DAILY)			0.02	0.05	0.24	0.26	0.69	2.35	2.30
OVERLAY + ASSET ALLOC TRANSITION	3.3%	7,937,042							
TOTAL FUND	**100.0%**	**238,779,955**	**-0.26**	**3.84**	**21.76**	**20.18**	**-0.35**	**3.85**	**5.53**
CALPERS POLICY INDEX (DAILY)			**0.04**	**4.06**	**20.85**	**20.90**	**3.35**	**5.93**	**6.16**

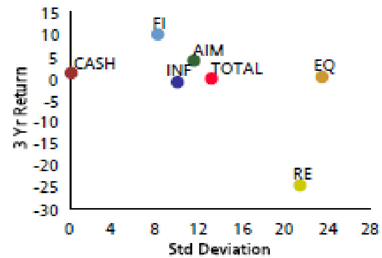
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Period Ending: May 31, 2011

Plan Performance Summary

Net of Manager Fees

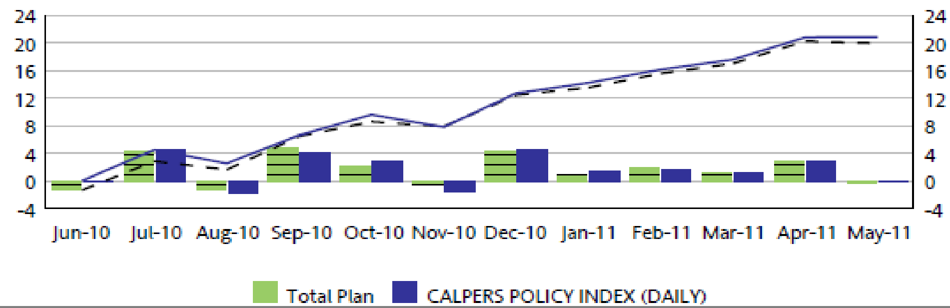
CalPERS

Risk Profile



	Information Ratio	Tracking Error
TOTAL FUND	-1.04	3.75
TOTAL GLOBAL EQUITY	-0.80	1.24
TOTAL INCOME	0.33	4.18
TOTAL AIM	-0.72	15.06
TOTAL REAL ESTATE	-1.34	17.72
TOTAL INFLATION LINKED	-0.70	9.95
TOTAL CASH EQUIVALENTS	2.81	0.01

Cumulative Performance vs Benchmark



Performance Summary

	% of Plan	MKT VAL $(000's)	1 Month	Quarterly	FYTD	1 Year	3 Year	5 Year	10 Year
TOTAL GLOBAL EQUITY	52.4%	125,134,788	-2.06	2.08	32.14	28.29	-0.16	3.58	4.70
TOTAL GLOBAL EQ EX AIM BENCHMARK (DAILY)			-2.02	2.02	32.04	28.27	0.84	4.42	4.97
TOTAL INCOME	17.4%	41,531,638	1.80	3.91	8.26	10.75	9.58	8.67	7.88
CalPERS Total GBL Fixed Income Policy (DAILY)			1.73	3.91	6.23	8.93	8.20	7.85	7.19
TOTAL AIM	14.2%	33,803,103	3.69	11.29	24.35	26.49	3.57	10.43	7.76
Wilshire 2500 + 300 bps. 1 qtr lag			3.75	13.86	19.93	27.68	14.38	15.11	7.99
TOTAL REAL ESTATE	7.5%	17,811,482	0.03	5.83	8.60	3.60	-25.01	-11.20	1.96
90% NPI+200 BPS / 10% FTSE EPRA NAREIT			0.20	5.08	16.48	17.22	-1.21	5.42	8.37
TOTAL INFLATION LINKED	3.4%	8,032,447	-2.37	1.16	12.76	13.83	-1.36		
CPI+400 BPS 1 MONTH LAGGED			0.97	3.13	6.85	7.28	5.60		
TOTAL CASH EQUIVALENTS	1.9%	4,529,456	0.02	0.06	0.27	0.29	0.73	2.42	2.47
PERS CUSTOM STIF NET OF FEES (DAILY)			0.02	0.05	0.24	0.26	0.69	2.35	2.30
OVERLAY + ASSET ALLOC TRANSITION	3.3%	7,937,042							
TOTAL FUND	**100.0%**	**238,779,955**	**-0.26**	**3.78**	**21.57**	**19.97**	**-0.53**	**3.63**	**5.31**
CALPERS POLICY INDEX (DAILY)			**0.04**	**4.06**	**20.85**	**20.90**	**3.35**	**5.93**	**6.16**

Operations/Policy Violations/Activity Reports/Placement Agent Fees

Closed Session Transactions

- There were zero closed session transaction reported to the Board in Open Session per the requirements of California Government Code Section 20191.5 and the current CalPERS Board of Administration Statement of Policy & Procedures for Closed Sessions.

Investment Policy Violations

- According to policy requirements, the following is a summary of investment policy violations extracted from the quarterly reports prepared for Investment Committee consideration. Executive Summaries and full reports are available in the Supplemental Reporting Document.

Global Equity, AIM, Cash Equivalents, Supplemental Income Plans, Real Estate, Fixed Income

Report Containing Violation	Violation Description
No items to report	

Items Completed Under Delegated Authority

- According to policy requirements, the following is a summary of items completed under delegated authority extracted from the reports prepared for Investment Committee consideration. Full reports are available in the Supplemental Reporting Document.

Real Estate, Corporate Governance, ILAC, AIM

Investment	Commitment
No items to report	

Risk Managed Absolute Return Strategies

Investment	Commitment
Standard Pacific Eureka Fund, LLLP	$100 million

Activity Reports

- Staff prepares activity reports for the AIM, Real Estate, Risk Managed Absolute Return Strategies, Corporate Governance and Inflation Linked Asset Class Programs. Detailed reports and investment summaries for these programs are included in the supplemental reporting document.

AIM Activity Report

Activity	Month	2008	2009	2010	2011YTD	Since Inception
Investment Proposals Entered	14	349	295	333	124	8,372
Declined/Referred/Failed to Materialize	18	339	245	353	134	6,838
Deals in Screening	49	349	295	333	124	5,355
Due Diligence Reviews	6	31	12	12	11	825

Activity Reports (cont.)

Real Estate Investments Activity Report:

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception *
Investment Proposals Entered	12	N/A	138	23	136	60	357
Declined/Referred/Failed to Materialize	14	N/A	120	29	122	38	309
Deals in Screening	33	N/A	24	33	76	77	210
Due Diligence Reviews	2	N/A	3	0	0	2	5
* As of January 2, 2008							

Risk Managed Absolute Return Strategies Program Activity Report

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception
Investment Proposals Entered	4	90	118	66	20	41	961
Declined/Referred/Failed to Materialize	0	0	0	0	18	0	261
Deals in Screening	4	90	118	66	8	41	694
Due Diligence Reviews	4	90	118	66	8	41	694
Allocations Approved by RMARS Board	0	66	31	0	11	0	217
New ARD Funds Approved by RMARS Board	1	8	3	0	2	1	47
Funded Investments ($ Millions)	$100	$2,499	$1,089	$0	$510	$100	$7,499

Corporate Governance Activity Report

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception *
Investment Proposals Entered	0	N/A	7	1	1	0	9
Declined/Referred/Failed to Materialize	0	N/A	6	13	11	0	30
Deals in Screening	N/A	N/A	N/A	N/A	0	0	0
Due Diligence Reviews	0	N/A	13	14	12	0	39
* As of April 1, 2008							

Inflation Linked Asset Class Activity Report - Infrastructure

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception
Investment Proposals Entered	14	12	57	52	105	44	270
Declined/Referred/Failed to Materialize	0	N/A	11	58	113	47	229
Deals in Screening	41	12	57	52	105	44	270
Due Diligence Reviews	0	N/A	0	4	2	0	6

Activity Reports (cont.)

Inflation Linked Asset Class Activity Report - Forestland

Activity	Month	2007	2008	2009	2010	2011 YTD	Since Inception
Investment Proposals Entered	1	N/A	9	5	7	3	24
Declined/Referred/Failed to Materialize	0	N/A	7	6	6	0	19
Deals in Screening	3	N/A	9	5	7	3	24
Due Diligence Reviews	0	N/A	1	0	0	0	1

Disclosure of Placement Agent Fees

Asset Class	Firm Name	Fund	Placement Agent Firm	Estimated Placement Agent Compensation	Disclosure Type
Real Estate	RREEF America LLC	CalWEST	DeAM Investor Services, Inc. an affiliate of RREEF	-	Amendment[1]

[1] – The amendment does not benefit the placement agent.

Investment Transactions

Investment Transactions are reported to the Investment Committee for review under the requirements of California Government Code Section 20191. Information is provided in summary format in this consolidated document. Full reporting is available in the supplemental reporting document.

Portfolio Summary and Transactions Report:

- Purchases (Page 17)
- Sales (Page 18)
- Currency Hedge Portfolio Summary (Page 19)
- Currency Hedge Portfolio Transactions (Page 19)

Investment Transaction Information: (full reporting is available in the supplemental reporting document)

- Domestic Fixed Income Transactions
- International Fixed Income Transactions
- Domestic Equity Transactions
- International Equity Transactions
- Real Estate Investment Trust (REIT) Transactions
- AIM Program Transactions
    - Summary Listing of Capital Calls and Aggregate Distributions
- AIM Program Items Completed Under Delegation of Authority
    - Investment Summaries
        - No Items to Report
- Real Estate Equity Transactions
    - Summary Listing of Investments and Redemptions
- Real Estate Program Items Completed Under Delegation of Authority
    - Investment Summaries
        - No Items to Report
- Risk Managed Absolute Return Strategies Program Transactions
    - Summary Listing of Investments and Redemptions
- Risk Managed Absolute Return Strategies Program Items Completed Under Delegation of Authority
    - Dispositions Summaries
        - No items to report
    - Acquisitions Summaries
        - Standard Pacific Eureka Fund, LLLP - $100 million commitment
- Inflation Linked Assets Transactions
    - Summary Listing of Investments and Redemptions
- Inflation Linked Assets Items Completed Under Delegation of Authority
    - Investment Summaries
        - No Items to Report

Investment Transactions

Investment Transaction Information (continued): **(full reporting is available in the supplemental reporting document)**

- Corporate Governance Program Items Completed Under Delegation of Authority
  - Investment Summaries
    - No items to report
- Manager Development Program – Private Markets Transactions
  - Summary Listing of Investments and Redemptions
    - No items to report
- Internally Managed Derivative Transactions Summary
  - Investment Summaries
    - Futures purchases: $547.5 million notional
    - Futures sales: $503.2 million notional
    - Swaps: $0.0 million notional

INVESTMENT TRANSACTONS SUMMARY

($ Millions)
May 2011

PURCHASES

	COST	%OF PURCHASES
EQUITIES:		
Domestic	$1,303.9	8.75%
International	$1,022.8	6.86%
Total	$2,326.7	15.61%
FIXED INCOME:		
Domestic	$11,590.6	77.75%
International	$532.3	3.57%
Total	$12,122.9	81.32%
ALTERNATIVE INVESTMENTS:		
Partnership Component	$314.3	2.11%
REAL ESTATE:		
Real Estate Equity	$140.2	0.94%
INFLATION LINKED ASSETS:		
Inflation Linked	$3.0	0.02%
TOTAL PURCHASES:	**$14,907.1**	**100%**

INVESTMENT TRANSACTONS SUMMARY

($ Millions)
May 2011

SALES

	COST	PROCEEDS	GAIN/ (LOSS)
EQUITIES:			
Domestic	$575.4	$621.8	$46.4
International	$580.9	$649.4	$68.5
Total	$1,156.3	$1,271.2	114.9
FIXED INCOME:			
Domestic	$11,365.8	$11,555.3	$189.5
International	$153.0	$172.0	$19.0
Total	$11,518.8	$11,727.3	$208.5
ALTERNATIVE INVESTMENTS:			
Partnership Component	$834.5	$834.5	$0.0
REAL ESTATE:			
Real Estate Equity	$123.8	$123.9	$0.1
INFLATION LINKED ASSETS:			
Inflation Linked	$1.9	$1.9	$0.0
TOTAL SALES:	**$13,635.3**	**$13,958.8**	**$323.5**

CURRENCY HEDGE PORTFOLIO SUMMARY

($ Millions)
May 2011

PENDING FX CONTRACTS	COST	MARKET VALUE
Total FX Purchased	$7,406.8	$7,515.3
Total FX Sold	$14,876.3	$15,094.0
CURRENCY OPTIONS		
Currency Puts	($20.3)	($20.3)

"For FX purchased, a market value higher than book value means the contracts have an unrealized gain as of the valuation date. For FX sold, a market value lower than book value means the contracts have an unrealized gain as of the valuation date."

CURRENCY HEDGE TRANSACTION SUMMARY

($ Millions)
May 2011

PURCHASES	COST
Pending FX Contracts	$3,032.0
SALES	**PROCEEDS**
Pending FX Contracts	$3,861.2

Affiliate Funds Reports

State Street Bank has compiled the following Affiliate Funds Performance Reports for the periods ending May 31, 2011. **(full reporting is available in the supplemental reporting document)**

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Period Ending: May 31, 2011

Plan Performance Summary

Gross of Manager Fees

Affiliate Funds - Plan Comparison

	MKT VAL $(000's)	1 Month	Quarterly	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
CALPERS CERBT FUND	1,783,904	-0.84	2.28	26.79	6.89	24.34	1.99		
CERBT POLICY INDEX		-0.83	2.29	26.61	6.75	24.26	1.99		
CALPERS HEALTH CARE BOND FUND	456,263	1.28	2.63	5.43	3.43	6.73	6.64		
BC AGGREGATE (DAILY)		1.31	2.65	4.21	3.02	5.84	6.53	6.63	5.82
COMP-JUDGES RETIREMENT FUND	48,846	0.02	0.05	0.24	0.09	0.26	0.70	2.35	2.30
91 DAY TREASURY BILL (DAILY)		0.01	0.05	0.15	0.08	0.16	0.48	2.08	2.15
JRS II TOTAL PLAN	565,609	-0.28	2.62	23.48	6.64	21.74	3.00	5.17	5.25
CAL JRS II POLICY INDEX		-0.26	2.66	23.09	6.40	21.44	3.08	5.23	5.49
LRS TOTAL PLAN	125,267	0.34	2.94	17.10	5.99	16.65	5.68	6.64	5.77
CAL LRS POLICY INDEX (DAILY)		0.34	2.97	16.25	5.64	15.91	5.16	6.31	6.09
LTC TOTAL PLAN	3,303,973	-0.26	2.60	21.72	6.46	20.55	4.29	5.94	5.39
CAL LONG TERM CARE POLICY INDEX (DAILY)		-0.25	2.60	21.08	6.19	19.99	4.13	5.81	5.52
COMP-CONTINGENCY RESERVE FUND	6,108	0.02	0.05	0.24	0.09	0.26	0.70	2.35	2.31
91 DAY TREASURY BILL (DAILY)		0.01	0.05	0.15	0.08	0.16	0.48	2.08	2.15

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Period Ending: May 31, 2011

Plan Performance Summary

Net of Manager Fees

CalPERS

Affiliate Funds - Plan Comparison

	MKT VAL $(000's)	1 Month	Quarterly	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
CALPERS CERBT FUND	1,783,904	-0.84	2.28	26.79	6.89	24.34	1.99		
CERBT POLICY INDEX		-0.83	2.29	26.61	6.75	24.26	1.99		
CALPERS HEALTH CARE BOND FUND	456,263	1.28	2.63	5.43	3.43	6.73	6.64		
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LTC TOTAL PLAN	3,303,973	-0.26	2.60	21.72	6.46	20.55	4.29	5.94	5.39
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COMP-CONTINGENCY RESERVE FUND	6,108	0.02	0.05	0.24	0.09	0.26	0.70	2.35	2.31
91 DAY TREASURY BILL (DAILY)		0.01	0.05	0.15	0.08	0.16	0.48	2.08	2.15